

MOTION BY SUPERVISOR MICHAEL D. ANTONOVICH

FEBRUARY 13, 2007

SECTION 8 PROGRAM AUDIT AND INVESTIGATION

Recently the Department of Housing and Urban Development (HUD) rated the Section 8 Program administered by the Los Angeles County Housing Authority Agency as "Troubled." This rating is the result of the large amount of overdue annual inspections required to be performed by the agency on all residences in the Section 8 Program. The lack of training for inspection personnel and the quality of inspections was also recognized as a deficiency. These issues are part of a mandated corrective action plan imposed by HUD.

As of January 31, 2007, the Los Angeles County Housing Authority still had 2,633 delinquent annual inspections. The Housing Authority does not anticipate having this situation corrected until the end of June 2007.

The failure to conduct timely and accurate annual inspections creates the potential for fraud against tax payers. Just last week, I learned about a home in Antelope Valley valued in the range of \$750,000 to \$800,000, that is being subsidized through the Section 8 program. This value exceeds the top monthly subsidy allowed under the Section 8 program. The integrity of the County's Section 8 Program is in jeopardy, and the County's Housing Authority must move diligently to respond to HUD's concerns.

I, THEREFORE, MOVE that the Board of Supervisors direct the Executive Director of the Los Angeles County Housing Authority to report back on February 27, 2007 concerning:

- Status of corrective actions to improve the HUD rating of the agency to a "Satisfactory".
- An explanation on how a residence, with a monthly rental value exceeding the approved Section 8 monthly subsidy, can be allowed to pass the approval process.

– M O R E –

MOTION

Molina	_____
Burke	_____
Knabe	_____
Antonovich	_____
Yaroslavsky	_____

Page: 2

- Issues associated with implementing a moratorium on issuance of all new Section 8 Vouchers until the achievement of a “Satisfactory” HUD rating and all delinquent annual inspections have been completed.

#

MDA:pn/nho